

NATIONAL MINORITY TV, INC.
Portland, Oregon
FCC Form 314
Exhibit I, Page 4

PAUL F. CROUCH IS AN OFFICER IN THE FOLLOWING COMPANIES:

<u>CALL LETTERS OF STATION OR FILE NUMBER OF APPLICATION</u>	<u>LOCATION</u>
Trinity Broadcasting Network, Inc. licensee of: (1) KTBN-TV, (2) WLXI(TV) (3) WDLI(TV)	Santa Ana, California; Greensboro, North Carolina; Canton, Ohio
Trinity Broadcasting of Arizona, Inc. licensee of: (1) KPAZ-TV, (2) KNAT(TV)	Phoenix, Arizona; Albuquerque, New Mexico
Trinity Broadcasting of Oklahoma City, Inc., licensee of KTBO-TV.	Oklahoma City, Oklahoma
Trinity Broadcasting of Washington, licensee of KTBW-TV.	Tacoma, Washington
Trinity Broadcasting of Florida, Inc., licensee of WHFT(TV).	Miami, Florida
Trinity Broadcasting of Indiana, Inc.: (1) licensee of WKOI(TV), and (2) permittee of WCLJ(TV)	Richmond, Indiana Bloomington, Indiana
Trinity Broadcasting of New York, Inc., licensee of WTBV-TV.	Poughkeepsie, NY
Trinity Broadcasting of Texas, Inc., licensee of KDTX-TV.	Dallas, Texas
National Minority TV, Inc., permittee of KMLM(TV).	Odessa, Texas
Community Educational Television, Inc., licensee of: (1) KLUJ(Ed.-TV) (2) KITU(Ed.-TV)	Harlingen, Texas Beaumont, Texas

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Educational Television of Houston, Inc. Houston, Texas
licensee of KETH(Ed.-TV).

Mr. Crouch, through his involvement with the above organizations also has interests in various LPTV and television translator facilities and pending LPTV applications throughout the country. If information on such interests is requested by the Commission it will be provided immediately.

NAME OF PARTY HAVING INTEREST: P. JANE DUFF

Community Educational Television, Inc.,
licensee of:

- (1) KLUJ(Ed.-TV)
- (2) KITU(Ed.-TV)

Harlingen, Texas
Beaumont, Texas

National Minority TV, Inc.,
permittee of KMLM(TV).

Odessa, Texas

Mrs. Duff is also involved with various foreign broadcast facilities. If information on such involvements is requested by the Commission it will be provided immediately.

NAME OF PARTY HAVING INTEREST: PHILLIP DAVID ESPINOZA

Mr. Espinoza has no other broadcast interests except his involvement with National Minority TV, Inc., permittee of KMLM(TV), Odessa, Texas.

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EXHIBIT II

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EXHIBIT II

Mr. Crouch's wife, Janice Crouch, and his brother, Phillip A. Crouch, are involved as either directors or officers of the same organizations as Mr. Crouch. Mrs. Crouch is not, however, involved in Educational Television of Houston, Inc., KETH (Ed.-TV), Houston, Texas.

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EXHIBIT III

PROGRAMMING STATEMENT

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Exhibit III

PROGRAMMING STATEMENT

Questions 2 through 6 of Section IV are no longer applicable to television facilities in accordance with the Commission's August 21, 1984 Report and Order in Mass Media Bureau Docket No. 83-670, FCC 84-293, Mimeo Number 34761. National Minority TV, Inc. (NMTV) intends to fully address the determined needs and interests of the community of license, and will prepare and maintain in its public file a quarterly problems/programs report. NMTV will broadcast proper amounts of informational, public affairs, religious and other non-entertainment programming. Should any additional information be required, NMTV will immediately provide it.

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EXHIBIT IV

EQUAL EMPLOYMENT OPPORTUNITY PROGRAM

EQUAL EMPLOYMENT OPPORTUNITY PROGRAM

I. General Policy

It is our policy to provide equal employment opportunity to all qualified individuals without regard to their race, color, religion, national origin or sex in all personnel actions including recruitment, evaluation, selection, promotion, compensation, training and termination.

It is also our policy to promote the realization of equal employment opportunity through a positive, continuing program of specific practices designed to ensure the full realization of equal employment opportunity without regard to race, color, religion, national origin or sex.

To make this policy effective, and to ensure conformance with the Rules and Regulations of the Federal Communications Commission, we have developed an Equal Employment Opportunity Program which includes the following elements:

II. Responsibility for Implementation

The Station General Manager will be responsible for the administration and implementation of our Equal Employment Opportunity Program. It will also be the responsibility of all persons making employment decisions with respect to recruitment, evaluation, selection, promotion, compensation, training, and termination of employees to ensure that our policy and program are adhered to and that no person is discriminated against in employment because of race, color, religion, national origin, or sex.

III. Policy Dissemination

To assure that all members of the staff are cognizant of our Equal Employment Opportunity policy and their individual responsibilities in carrying out this policy, the following communication efforts will be made:

- (1) The station's employment application form will contain a notice informing prospective employees that discrimination because of race, color, religion, national origin, or sex is prohibited

and that they may notify the appropriate local, state, or federal agency if they believe they have been the victims of discrimination;

- (2) Appropriate notices will be posted informing applicants and employees that the station is an Equal Employment Employer and of their right to notify an appropriate local, state, or federal agency if they believe they have been the victim of discrimination.

IV. Recruitment

To ensure nondiscrimination in relation to minorities and women, and to foster their full consideration in filling job vacancies, we will utilize the following recruitment procedures:

- (1) We will deal only with employment services, including state employment agencies, which refer job candidates without regard to their race, color, religion, national origin, or sex.
- (2) If we recruit prospective employees from educational institutions such recruitment efforts will include area schools and colleges with significant minority and female enrollments.
- (3) When utilizing media for recruitment purposes, help wanted advertisements will always include a notice that we are an Equal Opportunity Employer and contain no indication, either explicit or implied, of a preference for one race, color, religion, national origin, or sex over another.
- (4) We will encourage employees to refer qualified candidates for existing and future job openings without regard to their race, color, religion, national origin, or sex.

V. TRAINING

Station resources and/or needs are such that we are unable to plan at this time to institute specific programs for upgrading the skills of employees.

If we provide on-the-job training to upgrade the skill of employees, such training will be made available on the basis of station needs and candidate aptitude without regard to race, color, religion, national original origin, or sex.

Should we provide assistance to students, schools, or colleges, programs will be designed to enable all persons to compete in the broadcast employment market on an equitable basis.

TESTIMONY OF PHILLIP DAVID ESPINOZA

1. My name is Phillip David Espinoza. I live at 14154 Raven Street, Sylmar, California. Since 1952 I have worked at, and am now the Pastor of, La Trinidad church at 1150 O'Melveny Street in San Fernando, California. I am an ordained minister of the Assemblies of God Church and I am a bilingual (Spanish-English) speaking individual of Mexican-American heritage. My church is largely Hispanic in ethnicity, and we have services in both English and Spanish. My father started the church in 1926 and is its first pastor. I am its second, and my son works with me in the ministry. Sylmar and San Fernando are in the San Fernando Valley, and are, depending on the time of day and the traffic, roughly one and one-half to two and one-half hours driving time to downtown Los Angeles or Orange County. I prefer to be called David and often sign my name "David P. Espinoza."

2. As part of my pastoral experience, I have had some experience working with the boards of non-profit organizations. My church is a non-profit corporation governed by a board of directors. The board of directors controls the church, but largely sets policy and leaves the day-to-day work to the Pastor. The board depends on me, however, as the Pastor, to make many of the day-to-day administrative decisions. Other purely administrative functions I leave to others. For example, I do not usually know from day-to-day how much money my Church has in its bank accounts. Someone else handles those details. For pastoral reasons I do not wish to know how much individuals or families contribute to the

Federal Communications Commission

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93-75

Exhibit No. TBF 106

Topic

TBF 143

Identified

12.2.93

Received

12.2.93

Rejected

Response

A. W. Shup

Date

12.2.93

Church. If I don't know, then I can't be accused of treating people unequally. When there is a problem, or the funds are low for some reason, the problem is brought to the Pastor for solution.

3. I am also on the board of directors of "Damas En Fuego," the Spanish speaking equivalent of "Womens' Aglow." My role with that corporation is primarily consultative because the president is a member of my Church. I was also a member for approximately two years of the Missions Board of the Pacific Latin American District of the Assemblies of God. In that role I had a vote in evaluating the financial support for each foreign mission and choosing missionaries from among candidates for the mission field to send overseas. As a Missions Board member I have helped to make decisions as to who was going to a particular mission, and how much support they were to receive. However, the actual administration of the program, including missionary support, and gathering and screening the candidates for missionary work, was done by the District's administrative staff. The board makes the decisions on essential questions, for example, who is going where--but seldom concerns itself with the administrative details having to do with the day-to-day management of the missionaries.

4. I first came into contact with Trinity Broadcasting Network ("TBN" or "Trinity") and Paul Crouch when a friend, Frank Ortiz, suggested that I call Dr. Crouch to suggest that KTBN broadcast something about my father's 50th anniversary as pastor of our church. Following this contact, beginning in approximately 1976, I began to produce a Spanish-language program, Felicidad,

which was broadcast on channel 40. This program was broadcast weekly until 1986.

5. I would travel to the TBN studios roughly once a month to tape my show, and I would meet Paul at the studio. I greeted Dr. Crouch, but I was not personally close to him. Our relationship was best described as an acquaintanceship. On occasion we would have disagreements, always resolved good-naturedly, concerning the use of the studio, or certain details of my program. During roughly this same period I also got to know Mrs. Jane Duff by sight. Mrs. Duff, likewise, became an acquaintance.

6. In the Fall of 1980 Paul Crouch called me and asked me to become a member of the Board of Directors of Translator TV, Inc. (Translator TV). Dr. Crouch said that board membership was an opportunity to do something for the Lord, and that the way I could be of most help to the corporation was to speak my mind. I was flattered to be asked to be a Board member, and saw my involvement with Translator TV as an opportunity for an Hispanic to have a means of influence. I hoped I could get my foot in the door, as a way to influence more people. I also looked on my involvement in Translator TV as a way to evangelize my people. All of God's children are my people, of course, but I have always had a special place in my heart for the Hispanic Spanish-speaking community in which I grew up and to whom I minister. All of America is a tremendous mission field, and I wanted then, as I still do, to minister particularly to my people. Mrs. Duff, around this time, told me that Translator TV's purpose was to file a number of

applications to get low power television stations to preach the gospel. I knew that the programming that Translator TV would broadcast would be religious, and believed at that time that the primary source of that programming would be Trinity Broadcasting Network. Dr. Crouch told me that the other Directors of the corporation would be himself and Mrs. Duff.

7. I did not attend the first board meeting, at which I was elected both a Director and Chief Financial Officer, but I consented to all of the actions taken at that meeting. Paul Crouch was elected President. This seemed sensible to me, because Dr. Crouch had founded a television network that even then was seen across the country, and had built several television stations. Both he and Mrs. Duff were much more experienced in broadcasting, in producing programming, constructing stations, and applying for licenses at the FCC, than I was. I knew that Dr. Crouch was the president and founder of TBN, and that Mrs. Duff was a Trinity employee. While I have read the bylaws which described the role of a Chief Financial Officer, I viewed my role as more supervisory in nature, to have a voice in how things were going. For example, for many years my mother has been the secretary-treasurer of our church corporation, but she very seldom took minutes of meetings, signed checks or balanced the church's accounts. We have an administrator who is actually responsible for these sorts of details. Mrs. Duff handled these sorts of details for Translator TV. I could and did talk to Mrs. Duff on the telephone to see how things were going.

8. When I first became a Director of Translator TV the

corporation was in the process of preparing a number of low power applications to file. I did not have any role in preparing the applications. I did not, for example, discuss the cost of preparing the applications with Mrs. Duff, or ask her who was being hired to prepare these applications. I relied on Mrs. Duff's knowledge and experience to handle these details because she had far more background than I in these matters. However, she and I discussed the criteria to be used in deciding which communities were to be applied for by Translator TV, and discussed two: overall population of the community; and, minority population. These criteria were used in the first filings made by the corporation, and I was particularly interested in serving cities which I knew had large populations of minorities, particularly Hispanic. Many of the applications filed by Translator TV were for communities with large numbers of minorities, particularly Hispanic.

9. Very soon after the first applications were filed by the corporation the FCC put a freeze on processing low-power applications. The freeze lasted several years. Accordingly, for the first few years of the corporation's existence it had nothing to do. It had filed applications at the FCC, but the FCC was not processing the applications. As I recall, for various reasons the FCC did not start processing our applications for two to three years. However, I continued to have an active interest in Translator TV during these years. I spoke with Mrs. Duff on the telephone occasionally and got frustrated, as she was, at the FCC's lack of action on our applications. I also attended the yearly

meetings of the corporation's Board of Directors, driving roughly two hours each way, even though during many of the early years the corporation had transacted little or no business because of the FCC's failure to process or grant our applications. The meetings were held as part of joint meetings of other Trinity affiliated corporations, and annual financial statements for Trinity and affiliated corporations were made available to me to review. As a Director I felt I should go to these meetings, and I also felt that it would be helpful to me to learn as much as I could about broadcasting and the broadcast industry. In the meetings for the years 1982, 1983, 1984, and 1985, which to the best of my recollection, I attended, there was very little discussion of any Translator TV business.

10. During the first three or four years of the corporation's existence the only substantive thing that I remember the FCC doing occurred when Mrs. Duff called me and told me that the FCC had decided to choose from competing LPTV applications by using a lottery. The FCC's rules, she explained, also allowed minority-owned corporations to claim a preference in the lottery. The fact that Translator TV is a minority-owned corporation was discussed, since Mrs. Duff is an African American, and I am Hispanic. I knew that for nonprofit corporations the directors were like shareholders of a for-profit corporation, and that of the three directors (who were the only ones who could vote), Jane and I could always outvote Paul. Mrs. Duff and I agreed that Translator TV, Inc. was entitled to and should claim a minority preference for its

low power stations.

11. References in the minutes of several of those joint annual meetings refer to certain "corporate policies" being set. Because of the joint meeting format the reference in the minutes to "corporate policies" is confusing. These policies were not adopted for Translator TV, Inc., however. For example, the "Rites of Ordination" discussed in the minutes of the 1982 meeting had to do with other organizations, not Translator TV. Trinity and other organizations represented at the joint meetings ordained some of their employees. Translator TV had no employees for several years. Similarly, the retirement plan adopted in the 1985 board meeting had nothing to do with Translator TV, because Translator TV did not at that time have any employees. Likewise, references in the minutes of the 1986 joint meeting to a "corporate policy manual" pertained to Trinity Broadcasting Network, since the manual was prepared for employee orientation, and Translator TV had no employees at the time.

12. Sometime in late 1986 or early 1987 Mrs. Duff called me to report that the corporation had an opportunity to purchase an unbuilt station in Odessa, Texas, and to ask me what I thought of the opportunity. I have no firm recollection now concerning the date of the call, but I do recall that the discussion took place before any action was taken with respect to the Odessa station. I have an uncle who has held services in Odessa, and knew several pastors in the area. I have preached in the West Texas District of my denomination (Amarillo, Lubbock, El Paso), although it was many

years ago. I knew, therefore, that there was a substantial concentration of Hispanics in the Midland-Odessa area. I strongly supported the proposed purchase, because serving Latin populations with the gospel was close to my heart.

13. During this conversation, or one during the same time period, Mrs. Duff advised me that the corporation would be claiming a preference based on its minority ownership in connection with purchasing the Odessa authorization. I agreed with Mrs. Duff that the corporation should claim the preference in order to purchase the Odessa authorization. Once again, I felt comfortable claiming a preference based on minority ownership because Mrs. Duff and I could always outvote Paul.

14. On February 2, 1987 I attended a special meeting of the Board of Directors at which the directors voted to change the name of the corporation to National Minority TV, Inc. (NMTV). Prior to this meeting Mrs. Duff called me and discussed the need for a change in the name of the corporation, i.e., the corporation had just agreed to purchase a full power station and the corporation's name-- "Translator TV, Inc."--was no longer appropriate. Several names were suggested and discussed during this telephone conversation. I suggested a spanish name which, after not too much thought, we agreed was inappropriate for a licensee that would be broadcasting mostly English language programming. Although I don't now remember all the names discussed, I do remember that we discussed the name "National Minority TV, Inc." Mrs. Duff and I both liked the name because we felt it said the most about what the

corporation was about. I remember the name change, particularly in conjunction with the purchase of the Odessa station, because it seemed like we were really starting to move, to begin, finally, to fulfill our purposes, particularly with respect to minorities. Very soon after our name change Trinity decided to drop its block of Spanish language programming. I hoped, when the corporation had grown a bit and had become more financially secure, that NMTV would serve as an outlet for the Spanish language programming that TBN was no longer broadcasting.

15. I next attended a special meeting of the Board of Directors on June 22, 1987. The Odessa sale had just been closed. Dr. Crouch moved to sell the Odessa authorization so that the corporation could buy a facility in a larger market. I had preached in the area and knew pastors there, and I knew that there were many Hispanics in the area. I felt that the station could be an important ministry to Hispanics, and expressed strong opposition to the sale. Mrs. Duff also opposed the motion. She said she felt that NMTV had to build the station to show that minority owned corporations could build TV stations, that we should make our first station a success. Because Mrs. Duff and I opposed Dr. Crouch's proposal, his motion failed for lack of a second. I then suggested that the station begin planning to quickly initiate local programming. I knew that local programming was the best, sometimes the only way, to get local pastors involved in supporting the station and publicizing it, and to build a base of local support, financial and otherwise, for the station. Dr. Crouch disagreed and

argued that the emphasis should be on network programming for a considerable time until the station was financially secure. I felt strongly about the need for local programming, particularly because of the Hispanics in the area, so there was some discussion on the issue. Mrs. Duff supported the concept of local programming.

16. Sometime in the fall of 1987 Mrs. Duff called me to report that the corporation had an opportunity to buy a construction permit for a TV station in Portland. Mrs. Duff asked me if I thought purchasing the construction permit was a good idea, and I responded that I did. I knew that Portland had a growing Hispanic community, because the president of an arm of my church, the Pacific Latin American District of the Assemblies of God, Dr. Miranda, had recently challenged us to start more works and churches in Washington and Oregon because of the increase in the number of Hispanics in the Pacific Northwest. In fact, a couple from my church had worked in Oregon and another couple worked in Washington. Both reported to me about the increasing number of Hispanics in the area that needed our ministry. I had preached at a retreat in Portland, and we used one of the largest churches in the Portland area. I knew that there was an Hispanic audience in the area to which we could minister. Later I was sent a consent motion of the Board of Directors which approved of the purchase of the Portland construction permit. I enthusiastically signed that motion. I remember quite vividly when the contract for the Portland construction permit was actually signed because Dr. Crouch mentioned that NMTV had signed a contract to purchase the Portland

station on a Praise the Lord program, and identified the Directors of NMTV, including Mrs. Duff and myself. The very next day I received calls from several members of my church who had watched the program and interpreted Dr. Crouch's announcement to mean that I was leaving the church to go to Portland.

17. I attended a special NMTV Board meeting on December 12, 1988 in Newport Beach, California. Among the issues discussed at the meeting was the purchase of a studio for the Portland station so we could begin local programming. Mrs. Duff told us that a suitable building for a studio was available, at an asking price of \$650,000. Dr. Crouch moved that NMTV counteroffer \$400,000 for the building, but I felt that the offer was way too low, and would likely be rejected out of hand. Dr. Crouch's motion failed for lack of a second. Mrs. Duff then moved that the corporation offer \$500,000 for the building, which I seconded. I felt the offer was more realistic, and would at least be taken seriously enough to respond to. The motion passed, with Mrs. Duff and me voting "yes" and Dr. Crouch voting "no." At this meeting Dr. Crouch again suggested that the Odessa station be sold so that the corporation could purchase a station in a larger television market. Once again I strongly disagreed with Dr. Crouch. I believed that we should be sensitive to the needs of the minorities in the area, who I felt needed to hear the gospel preached to them. In addition, we had not been on the air for very long, and I felt that we had to give the baby a chance to grow. Mrs. Duff agreed with me. Dr. Crouch's suggestion was tabled.

18. The corporation now had two full power stations under construction, as well as a few translator authorizations. One translator authorization, one of the few granted Translator TV applications, was for a community in the Houston area. Mrs. Duff called me during this time period to discuss a proposal to sell the construction permit. Mrs. Duff reported that Dr. Crouch did not want to sell the permit but instead wanted to build the station. She told me that she disagreed with him because she felt that the corporation had as much on its plate as it could handle. Mrs. Duff asked me what I thought, and I agreed with her that the corporation had to walk before it could run, we simply had too much to do. In addition, although I knew that Houston had a large Hispanic population, the station was a low power station and was not as strong as we wanted. The main factor in my decision, however, was Mrs. Duff's feeling that the corporation simply had too many projects to develop at the same time. As a result of Mrs. Duff's and my position on this matter, the construction permit was sold.

19. In approximately May of 1989, Mrs. Duff called me to discuss the opportunity to acquire a station that could serve a larger audience than Odessa. We had a discussion about an opportunity that had materialized to purchase a station in Concord, California. I recall that I felt very positive when she mentioned Concord to me because I had spoken at the Concord High School auditorium, and remembered the large number of people who attended, the dense population in the area, and the lives of the gang members and others we had changed. I knew that we would be able to capture

a much larger audience in Concord than we would with Odessa. Mrs. Duff explained that if we wanted to purchase the Concord station we would have to sell one of our other stations. Dr. Crouch had twice suggested selling the Odessa station, and both Mrs. Duff and I wrestled with the idea of selling the Odessa station. We finally agreed because we knew that somewhere along the line we had to look for areas that presented a bigger audience. In an action by written consent we reversed our previous decision and approved of the sale of the Odessa station if we could find a buyer at a price of \$1,000,000.

20. Late in 1989 Mrs. Duff called me to report that Jim McClellan had applied for the vacant job of station manager for the Portland station and asked me what I thought of hiring Jim to be station manager. I have known Jim McClellan for years, beginning when we taped our TV programs in adjacent studios at TBN. I have done TBN telethons with Jim McClellan. I know Jim is a kind and compassionate man. I knew, from watching Jim tape his show, that he had a number of Hispanics on his show and seemed sensitive to minority problems. I also knew he had pastored a church, so he had some experience in management. I endorsed Jim's application warmly.

21. Throughout the later part of my involvement as an NMTV Director, I would, on occasion, receive calls from Mrs. Duff reporting opportunities to file applications for LPTV or translator stations at the FCC. Mrs. Duff would discuss the communities which might be available for application, and I would sometimes make